

COMMISSIONERS
BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH



E-mail: pierce-web@azcc.gov

ARIZONA CORPORATION
COMMISSION

Arizona Corporation Commission
DOCKETED

MAY 28 2014

ORIGINAL

May 28, 2014



RE: Docket RE-00000C-14-0112 – Proposed Rulemaking to Modify the Renewable Energy Standard Rules in Accordance with Decision No. 74365

Parties and Interested Stakeholders:

On May 21, 2014 Commissioner Brenda Burns docketed a letter proposing changes to the Renewable Energy Standards Rules, specifically addressing how the Commission should account for the adoption of distributed generation. I appreciate her thoughtful work on these difficult issues.

The Recommended Opinion and Order did a masterful job of trying to alleviate the concerns of all the parties, but I continue to have reservations about the waiver approach. Although the parties to the Docket might understand how it would work, the average ratepayer would not. It could easily be perceived as decreasing the distributed generation requirement. As a result, the waiver approach lacks transparency. The method that this Commission adopts to account for distributed generation should be easy for anyone to understand, it should not create any doubt as to our commitment to the 15% renewable goal, or to the distributed generation carve-out. In addition, it should enable us to ascertain how much renewable energy has been produced within our Affected Utilities' service areas.

I look forward to discussing Commissioner Brenda Burns' proposal to adopt the Staff Track and Record method, with the modifications that she outlined in her appendix, at an open meeting. I remain open to consider the inputs of all the parties, but I would hope that any proposed solution will be informative, transparent, easy to understand, and cost-effective for ratepayers.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Pierce".

Commissioner Gary Pierce

RECEIVED
2014 MAY 28 A 11:32
CORP COMMISSION
DOCKET CONTROL

Copies of the foregoing mailed
this 28 day of May, 2014, to:

Court Rich
7144 E. Stetson Drive, Suite 300
Scottsdale, Arizona 85251

Michael Curtis
501 East Thomas Road
Phoenix, Arizona 85012-3205

Peggy Gillman
Mohave Electric Cooperative, Inc.
P.O. Box 1045
Bullhead City, Arizona 86430

John Wallace
2210 South Priest Dr.
Tempe, Arizona 85282

Janice Alward, Chief Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007

Steven M. Olea, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007

Lyn Farmer
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007

By:



Shannon Whiteaker
Assistant to Commissioner Gary Pierce